

Personal Finance 30

Unit 1 (Decision Making) & 2 (Economics) Review

1. Difference between Need and Want
2. Explain the role of Needs and Wants in economics/personal finance.
3. 5 steps of the decision making process
 - a. Apply the 5 steps of the decision making process to a scenario
4. SMART goals – Know what each letter stands for and how to make a vague goal into a smart goal.
5. Explain the Law of Demand. Draw a standard Demand Graph.
6. Explain the Law of Supply. Draw a standard Supply Graph.
7. Explain the concept of Market Equilibrium, be sure to explain where Equilibrium occurs. Draw a graph showing market Equilibrium.
8. List and describe the factors that increase or decrease supply and demand.
9. Economies – Traditional, Command, Market, Mixed
10. Elasticity – Inelastic and Elastic – What affects whether something is Elastic or Inelastic?
11. Given scenarios determine if item is elastic or inelastic
12. Given a goal can you come up with a plan including steps along the way to help you reach that goal including – Immediate, Short Term, Long Term
13. Opportunity Cost:
 - a. What is Opportunity Cost?
 - b. Give a monetary and non-monetary example
14. What makes up total cost?
15. Terms to know

Scarcity	Demand	Supply	Equilibrium
Shortage	Surplus	Goods	Services
	Consumer	Producer	